(c) the steps taken by Government to reduce the subsidies?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI E. PONNUSWAMY): (a) and (b) The Government does not provide any subsidy out of General Budget to the petroleum sector. The subsidy provided for the price administered petroleum products like Kerosene oil (PDS) and Liquified Petroleum Gas (Domestic) is met by cross-subsidisation from other controlled petroleum produce i.e. motor spirit and aviation turbine fuel.

(c) The Government had decided in November, 1997 that subsidy on LPG (Domestic) and PDS kerosene will be reduced in phases to reach the level of 15% and 33.33% of the import parity price by 2000-01 and 2001-02 respectively. As per the decision, the subsidy is to be transferred to the fiscal budget from the year 2002 onwards.

Effect of price hike on petroleum products

2406. SHRI RAMDAS AGARWAL: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) how many times the price of petrol, diesel and LPG has been increased by Government during the last three years, till date, year-wise and item-wise;

(b) the extent to which it has resulted in pushing up the transport cost of goods and passengers;

(c) the impact of the price hike in petroleum products on the economy of the country; and

(d) what steps Government have taken so far to minimise the hardships of the consumer especially the middle class/weaker sections of the society?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI E. PONNUSWAMY): (a) The details of revision in ex-storage point prices of petrol, diesel and LPG during 1997, 1998 and 1999 are given in the statement (*See* below).

(b) to (d) Under the provisions of Motor Vehicles Act, 1988, State Governments have been vested with the power to fix fares and freight. Besides, transportation of goods by road is mainly in the private sector where market determines the cost of transportation taking into account the cost of fuel. Public

vehicles used for transportation of goods do not use petrol or LPG. Only a small percentage of passenger vehicles use petrol. Passenger fares are fixed by the State Governments taking into consideration various factors including the cost of transport fuels.

Statement

Statement showing Ex-Storage point prices of Petrol, Diesel & LPG

	Pertrol			LPG
	MS 93 (Rs./KL)	MS 87 (Rs./KL)	Diesel (Rs./KL)	(DOM.) (Rs./MT)
AS ON:				
31.12.1996	19180.43	16055.43	6574.87	6901.95
REVISED W.E.F.				
DURING 1997				
02.09.1997	20180.43	17055.43	8374.87	7958.29
7.11.1997			7918.04	
25.12.1997			7996.84	
DURING 1998				
01.03.1998			7839.24	
04.04.1998			7645.47	
03.06.1998	18335.43	15795.43		
20.05.1998			7536.89	
DURING 1999				
09.01.1999			6722.37	
01.02.1999				8944.21
28.02.1999	18239.01	15399.01	6621.76	8732.87
20.04.1999			6882.15	
06.10.1999			9634.60	

NOTE :— EX-STORAGE POINT PRICES ARE EXCLUSIVE OF DUTY, FREIGHT, LOCAL LEVIES ETC.

KL: Kiloliter

MT—Metric Tonnes

1525RS—10-B